GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1711
ANSWERED ON:30.07.2015
Fund under NEF
Meena Shri Harish Chandra

Will the Minister of POWER be pleased to state:

(a) the details of the funds sanctioned from National Electricity Fund (NEF) to the various State power utilities for improving the power distribution network during the last three years; and

(b) the details of the achievements made by the companies in the power distribution since the implementation of NEF?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a) : Government of India launched the National Electricity Fund (Interest Subsidy Scheme) in July 2012 to provide Interest Subsidy on loans raised by both Public and Private Distribution Companies (DISCOMS), for capital works sanctioned by financial institutions to improve the infrastructure in distribution sector during the financial year 2012-13 and 2013-14. NEF is a reform based Interest Subsidy scheme and does not provide for any loan or capital grant sanction. State/Discoms-wise details of coverage under NEF are annexed.
(b) : Distribution utilities are trying to improve the operational efficiency by way of reducing AT&C loss and Revenue gap to get the interest subsidy under NEF. The NEF Scheme is acting as one of the enablers towards improvement of performance parameters of Discoms. The benefit of interest subsidy would finally be passed on to the consumer through reflecting the same in the ARR of the respective utilities. Some of the Discoms have improved their operational parameters like AT&C Loss and Gap Reduction (calculated as per NEF Guidelines/Methodology) and have availed interest subsidy for FY 2012-13 and FY 2013-14.

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